



Carlos Jackson
Executive Director

COMMUNITY DEVELOPMENT COMMISSION

County of Los Angeles

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Gloria Molina
Yvonne Brathwaite Burke
Zev Yaroslavsky
Don Knabe
Michael D. Antonovich
Commissioners

March 21, 2006

Honorable Board of Supervisors
County of Los Angeles
383 Kenneth Hahn Hall of Administration
500 West Temple Street
Los Angeles, California 90012

Dear Supervisors:

**APPROVE EXCHANGE OF CDBG FUNDS BETWEEN THE CITIES OF
CUDAHY AND SAN FERNANDO (1, 3)
(3 Vote)**

IT IS RECOMMENDED THAT YOUR BOARD:

1. Approve Amendment No. 3 to Community Development Block Grant (CDBG) Reimbursable Contract No. 70722 between the County of Los Angeles and the City of Cudahy, to remove \$200,000 in CDBG funds that are being exchanged for \$130,000 in general tax revenues from the City of San Fernando, pursuant to an agreement between the cities, thereby reducing the amount of allocated funds from \$1,725,382 to \$1,525,382.
2. Approve Amendment No. 8 to CDBG Reimbursable Contract No. 70745 between the County of Los Angeles and the City of San Fernando, to add \$200,000 from the City of Cudahy, in exchange for \$130,000 in general tax revenues, pursuant to an agreement between the cities, thereby increasing the amount of allocated funds from \$1,896,801 to \$2,096,801.
3. Authorize the Executive Director of the Community Development Commission to execute on behalf of the County of Los Angeles the contract amendments, attached hereto in substantially final form, to

be effective following approval as to form by County Counsel and execution by all parties, through June 30, 2006.

PURPOSE/JUSTIFICATION OF RECOMMENDED ACTION:

The City of Cudahy has executed an agreement with the City of San Fernando to exchange CDBG funds for general tax revenue funds. The proposed amendments will effectuate the transfer of these funds.

FISCAL IMPACT/FINANCING:

There is no impact on the County general fund. The City of Cudahy has agreed to transfer \$200,000, in previously allocated CDBG funds, to the City of San Fernando, in exchange for \$130,000 in general tax revenues. The current contract amount for the Reimbursable Contract with the City of Cudahy is \$1,725,382 in CDBG funds. The proposed amendment will decrease the contract amount to \$1,525,382 in CDBG funds.

The City of San Fernando has agreed to accept \$200,000 in CDBG funds from the City of Cudahy. The current contract amount for the Reimbursable Contract with the City of San Fernando is \$1,896,801 in CDBG funds. The proposed amendment will incorporate the new funds, thereby increasing the contract amount to \$2,096,801 in CDBG funds.

FACTS AND PROVISIONS/LEGAL REQUIREMENTS:

The City of San Fernando will use the additional CDBG funds to implement CDBG-eligible projects for low- and moderate-income persons, while the City of Cudahy will use the general tax revenues for city operations.

The contract amendments, attached hereto in substantially final form, will be used for the proposed transfer of funds. The amendments will be effective following approval as to form by County Counsel and execution by all parties.

ENVIRONMENTAL DOCUMENTATION:

This action is exempt from the provisions of the National Environmental Policy Act pursuant to 24 Code of Federal Regulations, Part 58, Section 58.34 (a)(3) because it involves administrative activities that will not have a physical impact on or result in any physical changes to the environment. These activities are not subject to the provisions of CEQA pursuant to State CEQA Guidelines 15060(c)(3) and 15378 because they are not defined as a project under CEQA and do not have the potential for causing a significant effect on the environment.

Honorable Board of Supervisors

March 21, 2006

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IMPACT ON CURRENT PROGRAM:

The proposed contract amendments will enable the City of San Fernando to administer and implement CDBG-eligible projects to benefit low- and moderate-income persons, and the City of Cudahy to use general tax funds for city operations.

Respectfully submitted,

CARLOS JACKSON

Executive Director

Attachment: 2

**COUNTY OF LOS ANGELES
COMMUNITY DEVELOPMENT BLOCK GRANT PROGRAM
REIMBURSABLE CONTRACT WITH PARTICIPATING CITY
AMENDMENT NUMBER 3**

CITY: CUDAHY

CONTRACT NUMBER: 70722

THIS AMENDMENT NO. 3 TO CONTRACT 70722 made this_____ day of _____, 2006, by the County of Los Angeles, hereinafter called the "County," and the City of Cudahy, hereinafter called the "Operating Agency."

WITNESSETH THAT:

WHEREAS, the County and the Operating Agency previously entered into a Community Development Block Grant Program Reimbursable Contract 70722 with Participating City, Contract_Number 70722 dated July 1, 2003, and amended July 1, 2004 and July 1, 2005; and

WHEREAS, the County and the Operating Agency desire to amend said Contract in order to reflect an exchange of \$200,000 in CDBG funds of the Operating Agency for \$130,000 in general tax revenue funds of the City of San Fernando that the Operating Agency may gain additional funds for its general city operations and the City of San Fernando may better implement its CDBG-eligible projects;

WHEREAS, the Community Development Commission of the County of Los Angeles administers this Contract on behalf of the County.

NOW, THEREFORE, in consideration of the mutual undertakings herein, the parties agree that said Contract Number 70722 be amended as follows:

1. **COMPENSATION AND METHOD OF PAYMENT** has been amended to show a revised compensation amount of one million five hundred twenty-five thousand three hundred eighty-two dollars (**\$1,525,382**). This is a reduction of two hundred thousand dollars (**\$200,000**) to the contract amount.
2. All other terms and conditions of said Contract shall remain in full force and effect.

IN WITNESS WHEREOF, the Board of Supervisors of the County of Los Angeles has caused this Amendment to be subscribed by the Executive Director of the Community Development Commission, and the Participating City has subscribed the same through its duly authorized officers on the day, month and year first above written.

COUNTY OF LOS ANGELES

CITY OF CUDAHY

BY: _____
CARLOS JACKSON, Executive Director
Community Development Commission
of the County of Los Angeles

BY: _____

TITLE: _____

ATTEST: _____

CITY CLERK: _____

APPROVED AS TO FORM:

APPROVED AS TO PROGRAM:

RAYMOND G. FORTNER, JR.
County Counsel

CARLOS JACKSON, Executive Director
Community Development Commission
of the County of Los Angeles

BY: _____
Deputy

BY: _____
Director, CDBG

**COUNTY OF LOS ANGELES
COMMUNITY DEVELOPMENT BLOCK GRANT PROGRAM
REIMBURSABLE CONTRACT WITH PARTICIPATING CITY
AMENDMENT NUMBER 8**

CITY: SAN FERNANDO

CONTRACT NUMBER: 70745

THIS AMENDMENT NO. 8 TO CONTRACT 70745 made this_____ day of _____, 2006, by the County of Los Angeles, hereinafter called the "County," and the City of San Fernando, hereinafter called the "Operating Agency."

WITNESSETH THAT:

WHEREAS, the County and the Operating Agency previously entered into a Community Development Block Grant Program Reimbursable Contract 70745 with Participating City, Contract Number 70745 dated July 1, 2003, and amended March 16, 2004, March 31, 2004, July 1, 2004, July 8, 2004, July 1, 2005, July 8, 2005, and July 11, 2005; and

WHEREAS, the County and the Operating Agency desire to amend said Contract in order to reflect an exchange of \$200,000 in CDBG funds from the City of Cudahy for \$130,000 in general tax revenue funds of the Operating Agency so that the City of Cudahy may gain additional funds for its general city operations and the Operating Agency may better implement its CDBG-eligible projects;

WHEREAS, the Community Development Commission of the County of Los Angeles administers this Contract on behalf of the County.

NOW, THEREFORE, in consideration of the mutual undertakings herein, the parties agree that said Contract Number 70745 be amended as follows:

3. **COMPENSATION AND METHOD OF PAYMENT** has been amended to show a revised compensation amount of two million ninety-six thousand eight hundred one dollars (**\$2,096,801**). This is an increase of two hundred thousand dollars (**\$200,000**) to the contract amount.
4. All other terms and conditions of said Contract shall remain in full force and effect.

IN WITNESS WHEREOF, the Board of Supervisors of the County of Los Angeles has caused this Amendment to be subscribed by the Executive Director of the Community Development Commission, and the Participating City has subscribed the same through its duly authorized officers on the day, month and year first above written.

COUNTY OF LOS ANGELES

CITY OF SAN FERNANDO

BY: _____
CARLOS JACKSON, Executive Director
Community Development Commission
of the County of Los Angeles

BY: _____

TITLE: _____

ATTEST: _____

CITY CLERK: _____

APPROVED AS TO FORM:

APPROVED AS TO PROGRAM:

RAYMOND G. FORTNER, JR.
County Counsel

CARLOS JACKSON, Executive Director
Community Development Commission
of the County of Los Angeles

BY: _____
Deputy

BY: _____
Director, CDBG